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August 17, 2009

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Chairman Bernanke:

As a small, closed membership credit union serving the health care community in Central Montana and Northern Wyoming, we pride ourselves on our member service, our flexibility, our extensive and fair product line, and our ability to fulfill all of our members' financial needs. Our cooperative system promotes member loyalty, which in turn enables us to provide a wide range of financial services because our members keep their promises and pay their loans.

Our credit card program is straight forward, easy to understand, with no hidden costs and no interest hikes. Our credit card rates are based on sound financial analysis that provides a reasonable margin, which allows us to invest in our credit union infrastructure and provide even more services, better rates, and higher dividends to our entire membership. We also offer open-end Home Equity Line of Credit Loans and open-end Overdraft Protection Loans. Again these programs are straight-forward and fair for our members.

The new changes to Regulation Z Truth in Lending, in addition to punishing ethical, concerned lenders with unreasonable compliance requirements and deadlines, have the added distinction of taking away choice for our members in setting up convenient due dates for their loan payments. Because of the 21-day notice required for each open end loan payment, we will be forced to dictate loan due dates for our members so that we may remain in compliance with the regulation while managing the costs of issuing statements and maintaining fiscal responsibility in the interest of all of our members.

This new ruling will affect almost half of our open-end loan users in an adverse manner. I hope you will review the changes and recommend amendments to the Regulation that do not penalize responsible borrowers by restricting their ability to make convenient payment arrangements with their lenders. Please do not allow regulations that create unnecessary financial, compliance, and service burdens for local credit unions and banks who provide valuable services to millions of Americans. Please do consider the effects of demonizing all financial institutions to penalize a few lenders who may have gone astray. Most of us have the best interest of our members in mind and strive to serve them well.

Best regards,

A handwritten signature in blue ink that reads "Sherry Essmann". The signature is fluid and cursive, with the first name "Sherry" and last name "Essmann" clearly visible.

Sherry Essmann
CEO

"Caring for your financial health"